

# Super Members Investments Limited Register of Relevant Duties and Interests for the period 1<sup>st</sup> July 2017 – 30<sup>th</sup> September 2017

## 1. Introduction

Super Members Investments Limited (SMI) is the Trustee of the IRIS Superannuation Fund (IRIS) and is part of the IFS group of companies (the IFS Group). This section identifies IFS Group entities, explains how they interact with SMI and provides general information about how conflicts of interest are managed.

## 2. The IFS Group and other related parties

The IFS Group comprises:

- Industry Fund Services Limited (IFS), ABN 54 007 016 195, AFSL 232514;
- Industry Funds Investments Limited (IFI), ABN 17 006 883 227, AFSL 229881, RSE L000413;
  - IFI is the Trustee of Australia's Unclaimed Super Fund (AUSfund);
- Super Members Investments Limited (SMI), ABN 61 095 974 100, AFSL 231230, RSE L0001151;
- Industry Fund Financial Services Pty Ltd (IFFS), ABN 84 073 331 414;
- Industry Funds Management (Nominees 2) Pty Ltd (IFMN2), ABN 27 073 931 843, AFSL 284301; and
- IFS Insurance Solutions Pty Ltd (IFSIS), ABN 16 070 588 108, AFSL 241506.

Other related parties referred to in this Register are ISH,<sup>i</sup> ISA<sup>ii</sup>, the IFM Group<sup>iii</sup> and TND<sup>v</sup>.

## 3. SMI conflicts of interest with related parties

SMI and SMI Responsible Persons have actual, possible and perceived conflicts of interest arising from Relevant Duties to or Relevant Interests in other IFS Group entities, Industry Super Australia Pty Ltd (ISA) the IFM Group, and The New Daily (TND) (together the Related Parties). The roles and relationships that cause these conflicts are:

- Industry Super Holdings Pty Ltd (ISH) is the ultimate holding company of the IFS Group, the IFM Group ISA and TND.
- SMI obtains funds management services from the IFM Group. IFM Group products and services are provided on equivalent terms to those offered to other unrelated clients. The IFM Group and SMI share common directors but are otherwise run independently.
- ISA provides advocacy and marketing services to the industry super sector. ISA is a corporate Authorised Representative of IFS and receives licensee services from IFS. Neither IRIS nor SMI are ISA clients.
- IFS wholly owns SMI, IFI, IFSIS, IFFS and IFMN2.
- IFS provides SMI with corporate and operational services. These are provided under a Trustee Office Management Services Agreement (TOMSA), which is regularly reviewed to ensure that the arrangements are no more favourable than would apply if an unrelated party provided the services. IFS also provides corporate and operational services to other entities in the IFS Group.

- The Board of SMI determines a dividend policy and the amount of any dividend to be paid to IFS each year.
- IFSIS provides insurance broker services to the IFS Group including SMI.

#### 4. How SMI manages conflicts of interest with the IFS Group and the Related Parties

SMI manages these conflicts by relying on one or more of the following:

- written agreements which determine service standards and payment terms and which are regularly reviewed to ensure that the arrangements are no more favourable than would apply if an unrelated party provided the services;
- where appropriate, requiring Responsible Persons affected by a conflict of interest to abstain from participation in decisions that relate to a Related Party (referred to as Board Segregation in this Register);
- maintenance and enforcement of the SMI Investment Policy Statement; the IRIS Proxy Voting Policy; the IFS Group Outsourcing Policy and the IFS Group Conflicts of Interest Policy (the Conflicts Policy);
- the Conflicts Policy also includes guidelines to assist in the management of conflicts which may be summarised as:
  - dealing on terms no more favourable than would be agreed with an independent party;
  - benchmarking service levels and fees against the relevant market;
  - reviewing arrangements regularly;
  - prioritising the interests of members and beneficiaries; and
  - clear, concise and effective disclosure of conflicts.

#### 5. Personal superannuation held by individual Responsible Persons

IRIS is a Registered Superannuation Fund which issues pension products. A number of SMI Responsible Persons are members of Superannuation Funds that offer pension products that compete with IRIS including AustralianSuper, CBUS, Perpetual super, BT super and the Public Sector Superannuation Scheme. Decisions affecting IRIS members are made by SMI in accordance with the IRIS Constitution and the SMI Trust Deed. Any conflict arising from a Responsible Person holding an interest in a fund that competes with IRIS is managed through adherence to the IRIS Trust Deed, the Constitution and the Conflicts Policy.

#### 6. Defined terms

The following defined terms are used in this Register:

**Relevant Duty** means any duty owed by SMI or a Responsible Person to any person that SMI has determined is relevant for the purposes of this the Conflicts Policy because it might reasonably have the potential to have a significant impact on their duty to act in the best interests of members and beneficiaries of IRIS.

**Relevant Interests** means any interest, emolument, benefit or gift, whether pecuniary or non-pecuniary, directly or indirectly held or received by an entity or Responsible Person that might reasonably have the potential to have a significant impact on their capacity to fulfil any Relevant Duty.

**Responsible Person** means:

- A Director, a Company Secretary or Senior Manager of SMI.
- An auditor of SMI.
- An actuary appointed by SMI.
- A person who performs a senior operations, product or finance role for which could, directly or indirectly, materially affect the whole, or a substantial part, of the business operations or financial standing of SMI.

## 7. The Register

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
Linda Rubinstein  Chair of the Board of SMI.  Director of SMI.	Director and Chair of IFS.	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director and Chair of IFI.	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of: IFM Holdings Pty Ltd. (IFMH) FM Investors Fiduciary Pty Ltd. IFM Investors Fiduciary No. 2 Pty Ltd. IFM Investors Pty Ltd. IFM Investors (Nominees) Limited.	Director's Fees paid by IFMH.	Actual	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Director IFSIS.	Director's Fees paid by IFS. <sup>iv</sup>	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Director of ISH (unpaid).	N/A	Actual	Managed according to the Conflicts Policy – see paras 1- 4.
	N/A	Member of Cbus.	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
Robbie Campo  Director of SMI. (resigned 28 <sup>th</sup> July 2017).	Director of IFS. (resigned 28 <sup>th</sup> July 2017).	Director's Fees paid by IFS.	Actual	Managed with Board Segregation, the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of IFI. (resigned 28 <sup>th</sup> July 2017).	Director's Fees paid by IFS.	Potential	Managed with Board Segregation, the TOMSA and the Conflicts Policy – see paras 1- 4.
	N/A	Owner of units in a Vanguard ETF.	Potential	SMI uses Vanguard's services when it invests on behalf of members. Decisions about how IRIS invests are made by the Board in accordance with the IRIS Investment Policy Statement. This conflict is managed through disclosure, adherence to the IRIS Investment Policy Statement and the IFS staff performance and development review process.
	N/A	Director of Legal Aid Victoria	Perceived	Legal Aid Victoria aim is to make a difference in the lives of clients and the community by resolving and preventing legal problems, and encouraging a

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
				fair and transparent justice system. As SMI does not provide donations, services or other benefits to Legal Aid Victoria, this conflict is avoided.
	N/A	Director & Shareholder of CIRCA Consulting Services Pty Ltd providing consultancy services to Victorian State Government re ESSS	Perceived	The perceived conflict of duty is avoided by the scope of Ms Campo's engagement which to provide advice on the scheme design, not on the services offered by ESSS. Further, undertaking given by Ms Campo to Victorian State Government would be excluded from any discussion or information that involves or potentially involves ESSS.
	N/A	Director & Shareholder of CIRCA Consulting Services Pty Ltd providing strategic policy advice services to HESTA	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	N/A	Director & Shareholder of CIRCA Consulting Services Pty Ltd providing consultancy services to support IFS Advice Council and digital advice project.	Perceived	The perceived conflict of duty is avoided by the scope of Ms Campo's engagement which to establish the Advice Council, and document priorities, protocols & any regulatory impediments to delivery of digital advice and client engagement.
	N/A	Member of AustralianSuper	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
Paul Faure	Director of IFS.	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Director of SMI.	Director of IFI.	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of Faureco Pty Ltd.	N/A	Perceived	Faureco Pty Ltd is the corporate trustee for the P.J. Faure Family Trust which operates to manage the investments of the Faure family. Neither Faureco Pty Ltd nor the P.J. Faure Family Trust have investments in SMI or IRIS. This conflict is avoided because the P.J. Faure Family Trust and Faureco Pty Ltd do not compete with or invest in IRIS and hold no common investments with IRIS or SMI.
	Partner of Holding Redlich.	Profit share distribution paid by Holding Redlich.	Potential	Holding Redlich is an Australian law firm. SMI does not have a formal arrangement with Holding Redlich for the provision of legal services but does engage Holding Redlich on an ad-hoc basis. This conflict is managed with Board Segregation and the Conflicts Policy.
	N/A	Member of AustralianSuper	Potential	This conflict is managed according to the Conflicts Policy – see para 5.

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
David Issa Director of SMI.	Director of IFS.	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of IFI.	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of IFSIS.	Director's Fees paid by IFS. <sup>iv</sup>	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Director of DISSA Investments Pty Ltd.	N/A	Perceived	DISSA Investments Pty Ltd is Mr Issa's family company, the primary purpose is to invest in residential property. This conflict is avoided because DISSA Investments Pty Ltd does not compete with or invest in IRIS and holds no common investments with IRIS or SMI.
	Shareholder of Loan Insights Pty Ltd.	N/A	Perceived	Loan Insights Pty Ltd is a company involved in the online mortgage broking sector. This conflict is avoided because Loan Insights Pty Ltd does not compete with or invest in IRIS and holds no common investments with IRIS or SMI.
	Trustee of the Issa Superannuation Fund.	Member of Issa Superannuation Fund	Potential	The Issa Superannuation Fund is a Self-Managed Superannuation Fund (SMSF). The Issa Superannuation Fund does not have an interest in SMI or IRIS. This conflict is managed according to the Conflicts Policy – see para 5.
Michael Migro Director of SMI.	Director of IFS.	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of IFI.	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director of ISH.	Director's Fees paid by ISH.	Actual	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Director of: IFM Holdings Pty Ltd. (IFMH) FM Investors Fiduciary Pty Ltd. IFM Investors Fiduciary No. 2 Pty Ltd. IFM Investors Pty Ltd. IFM Investors (Nominees) Limited.	Director's Fees paid by IFMH.	Actual	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Director and Chair of IFSIS.	Director's Fees paid by IFS. <sup>iv</sup>	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Investment Committee Chair of Steve Waugh Foundation.	N/A	Perceived	The Steve Waugh Foundation provides support to people suffering from rare diseases. SMI does not provide donations or other benefits to the Steve Waugh Foundation. As SMI does not provide donations, services or other benefits to the Steve Waugh Foundation this conflict is avoided.

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
	N/A	Member of AustralianSuper, Perpetual super and BT super.	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
Felicity Pantelidis	Director of IFS (appointed 19 <sup>th</sup> September 2017).	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Director of SMI (appointed 19 <sup>th</sup> September 2017).	Director of IFI (appointed 19 <sup>th</sup> September 2017).	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Board Member of the Royal Women's Hospital	Director fees are receivable.	Perceived	The Royal Women's Hospital is a public health service and is incorporated pursuant to the provisions of the Health Services Act 1988 (as amended). As SMI does not provide donations, services or other benefits to the Royal Women's Hospital, this conflict is avoided.
	Director of Western Chances	N/A	Perceived	Western Chances assists motivated young people in Melbourne's west to realise their potential by providing scholarships, opportunity programs & ongoing support. As SMI does not provide donations, services or other benefits to the Western Chances, this conflict is avoided.
	Member of Australia Post Stakeholder Council	N/A	Perceived	Australia Post's Stakeholder Council is an external advisory group of 10 individuals whose role is to help Australia Post's communication and engagement with stakeholders. As SMI does not provide donations, services or other benefits to Australia Post, this conflict is avoided.
	N/A	Member of Telstra Super	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
Chloe Shorten	Director of IFS (appointed 18 <sup>th</sup> August 2017).	Director's Fees paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Director SMI Ltd (appointed 18 <sup>th</sup> August 2017).	Director of SMI (appointed 19 <sup>th</sup> August 2017).	Director's Fees paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Member of Strategic Engagement Committee for the Burnett Institute	N/A	Perceived	is to achieve better health for vulnerable communities in Australia and internationally by accelerating the translation of research, discovery and evidence into sustainable health solutions. As SMI does not provide donations, services or other benefits to the Burnett Institute, this conflict is avoided.
	N/A	Member of AustralianSuper & Mercer Superannuation.	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
Cath Bowtell	Director and Chair of IFFS.	N/A	Perceived	IFFS is not trading – the conflict is avoided.

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
Responsible Manager / Responsible Person of SMI.	Chief Executive Officer & Responsible Manager of IFS.	Salary paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Responsible Manager / Responsible Person of IFI.	Salary paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director & Responsible Manager of IFMN2 (appointed 25 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Member of the Victorian Public Sector Commission Advisory Board.	A modest per meeting sitting fee is paid by the Victorian State government.	Perceived	Victorian Public Sector Commission Advisory Board provides advice in relation to the Victorian Government’s public sector governance and reform objectives. As SMI is primarily regulated by Commonwealth regulatory regimes any perceived conflict is not material. The conflict is avoided because SMI business activities are only incidentally regulated by the Victorian regulatory agencies.
	Board Member of the Royal Women’s Hospital	Director fees will be receivable.	Perceived	The Royal Women’s Hospital is a public health service and is incorporated pursuant to the provisions of the Health Services Act 1988 (as amended). As SMI does not provide donations, services or other benefits to the Royal Women’s Hospital, this conflict is avoided.
	Director of Ausgrid Management Pty Ltd, Ausgrid Operator Partnership and Ausgrid Asset Partnership (nominated by AustralianSuper).	Director fees are receivable.	Potential	The Partnerships are between the State of New South Wales, IFM Investors and Australian Super. IFM Investors is a related party of IFS, and a material service provider to IFI. IRIS does not invest in the IFM Australian Infrastructure fund which holds this investment. AustralianSuper is a client of IFS. AustralianSuper is also a shareholder of IFS parent, ISH. Conflict is managed according to the Conflicts Policy – see para 5
N/A	Member of AustralianSuper & HESTA	Potential	This conflict is managed according to the Conflicts Policy – see para 5.	
Andrew Steggall	Company Secretary of IFS. (resigned 28 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Company Secretary &	Company Secretary & Responsible Person of IFI.	Salary paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
Responsible Person of SMI. (resigned 28 <sup>th</sup> September 2017).	(resigned 28 <sup>th</sup> September 2017).			
	Director and Company Secretary of IFFS. (resigned 28 <sup>th</sup> September 2017).	N/A	Perceived	IFFS is not trading – the conflict is avoided.
	Company Secretary of ISA. (resigned 27 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed according to the Conflicts Policy – see paras 1- 4.
	Company Secretary of IFSIS. (resigned 28 <sup>th</sup> September 2017).	Salary paid by IFS. <sup>iv</sup>	Potential	Managed according to the Conflicts Policy – see paras 1- 4.
	Director, Company Secretary & Responsible Manager of IFMN2. (resigned 28 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
	Board Member, Northern Support Services for People with Disabilities Inc.	N/A	Perceived	Northern Support Services delivers services to people with a disability including autism and their families by utilising available community resources to increase the person's ability to participate and be involved in their local community. SMI does not provide donations or other benefits to Northern Support Services. As SMI does not provide donations, services or other benefits to Northern Support Services this conflict is avoided.
	N/A	Owner of units in the Perpetual Wholesale Australian Share Fund and shares in the National Australia Bank (NAB).	Potential	SMI uses Perpetual and NAB services when it invests on behalf of members. Decisions about how IRIS invests are made by the Board in accordance with the IRIS Investment Policy Statement. This conflict is managed through disclosure, adherence to the IRIS Investment Policy Statement and the IFS staff performance and development review process.
N/A	Member of AustralianSuper	Potential	This conflict is managed according to the Conflicts Policy – see para 5.	
Lisa Rayner	Executive Manager, Legal, Governance and Insights & Responsible Manager of IFS.	Salary paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.



Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
Responsible Manager / Responsible Person of SMI  Company Secretary SMI (appointed 25 <sup>th</sup> September 2017).	Company Secretary IFS (appointed 25 <sup>th</sup> September 2017).			
	Responsible Manager / Responsible Person of IFI. Company Secretary IFI (appointed 25 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Director and Company Secretary of IFFS (appointed 25 <sup>th</sup> September 2017).	N/A	Perceived	IFFS is not trading – the conflict is avoided.
	Company Secretary of IFSIS (appointed 25 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed according to the Conflicts Policy – see paras 1- 4.
	Company Secretary of IFMN2 (appointed 25 <sup>th</sup> September 2017).	Salary paid by IFS.	Potential	Managed according to the Conflicts Policy – see paras 1- 4.
	N/A	Member of AustralianSuper, & Public Sector Superannuation Scheme.	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
	Ned Meehan  Chief Financial Officer, Responsible Manager / Responsible Person of SMI.	Chief Financial Officer & Responsible Manager of IFS.	Salary paid by IFS.	Actual
Chief Financial Officer, Responsible Manager / Responsible Person of IFI.		Salary paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Director of IFFS.		N/A	Perceived	IFFS is not trading – the conflict is avoided.
Chief Financial Officer & Responsible Manager of IFSIS.		Salary paid by IFS. <sup>iv</sup>	Potential	Managed according to the Conflicts Policy – see paras 1- 4.
Director, Chief Financial Officer & Responsible Manager of IFMN2.		Salary paid by IFS.	Potential	Managed with Board Segregation and the Conflicts Policy – see paras 1- 4.
N/A		Member of AustralianSuper	Potential	This conflict is managed according to the Conflicts Policy – see para 5.

Person / entity and position(s)	Relevant Duty	Relevant Interest	Conflict Type	How is the conflict managed or avoided
Adam Bullock  Responsible Manager / Responsible Person of SMI.	Senior Manager, Investment Operations & Finance, and Responsible Manager IFS	Salary paid by IFS.	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	Responsible Manager / Responsible Person of IFI.	Salary paid by IFS.	Potential	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
	N/A	Director of AMB Superfund Co Pty Ltd, trustee of AMB Superfund	Perceived	The AMB Superfund is a Self-Managed Superannuation Fund (SMSF). The Fund does not have an interest in SMI or IRIS. This conflict is avoided because the AMB Superfund does not compete with or invest in IRIS and holds no common investments with IRIS or SMI.
	N/A	Member of Energy Super	Potential	This conflict is managed according to the Conflicts Policy – see para 5.
SMI as Trustee of IRIS.	Wholly owned subsidiary of IFS.	N/A	Actual	Managed according to the TOMSA and the Conflicts Policy – see paras 1- 4.
Deloitte Touché Tohmatsu (Deloitte) RSE Auditor of SMI.	Auditor IFS.	Audit fees paid by IFS.	Potential	Managed according to the terms of the appointment and the Conflicts Policy – see paras 1- 4.

<sup>i</sup> Industry Super Holdings Pty Ltd (ISH), ABN 71 119 748 060.

<sup>ii</sup> Industry Super Australia Pty. Ltd. (ISA), ABN 72 158 563 270.

<sup>iii</sup> The IFM Group comprises:

- IFM Holdings Pty. Ltd. (IFMH), ABN 40 337 513 753.
- IFM Investors Fiduciary Pty. Ltd. (IFMIF), ACN 135 450 618, AFSL 422756.
- IFM Investors Fiduciary No. 2 Pty. Ltd. (IFMIF2), ABN 43 158 365 505, AFSL 422757.
- IFM Investors Pty. Ltd. (IFM), ABN 67 107 247 727, AFSL 284404.
- IFM Investors (Nominees) Limited (IFMIN), ABN 56 003 969 891, AFSL 239169.

<sup>iii</sup> IFS pays directors' fees and executive officer salaries to the IFSIS directors and executive officers who also perform roles for other IFS Group entities, but recovers this cost from IFSIS.

<sup>v</sup> The New Daily Pty Ltd (TND), ABN 29 153 137 243